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Resume

SOUTH BEND-LAPORTE-ELKHART, INDIANA, MILK MARKET NEWS

SEP 2 1960
U. S. DEPARTMENT OF AGRICULTURE

Federal Order No. 67
U. S. Department of Agriculture
Agricultural Marketing Service
Telephone: ATLantic 8-2571

Market Administrator
220 South William Street
P. O. Box 216
South Bend 24, Indiana

Issued for Information of Producers
Who Are Not Members of Cooperative Associations

Vol. IV, No. 9

September 1960

AUGUST UNIFORM PRICE \$4.07

Dairy farmers will receive a uniform price of \$4.07 for August 1960 deliveries of Grade A milk to handlers under the South Bend-LaPorte-Elkhart, Indiana, milk order. The uniform price is based upon a butterfat test of 3.5 percent and will be adjusted by a differential of 7.1 cents for each one tenth percent that tests vary above or below the 3.5 percent standard. This minimum price is subject to a 3 cent per hundredweight marketing service deduction, together with the authorized hauling charge.

PRODUCER RECEIPTS

Out of a total of 22 million pounds of producer receipts for the August delivery period, 80.5 percent was utilized in Class I. This is .4 of a percent higher than a year ago. Producer receipts are 8.5 percent higher than a year ago, but Class I sales are also that much higher. Production did drop off from the July delivery period about 5.5 percent, which is about twice as much as last year between August and July. Average daily herd production dropped some 14 pounds per producer from July and there was a decrease in number of producers by 29. These producers that left the market were mostly can shippers.

CLASS I SALES

There has been a small increase of 2.5 percent in Class I sales over July and almost 9 percent over August of a year ago. However, there are more Class I sales outside the marketing area pooled under this order than there were a year ago, so the overall Class I consumption in this marketing area could be about the same as a year ago.

BASE MAKING PERIOD

Beginning with the September 1960 delivery period and continuing through December 1960, producers will be making a base for the spring months of April, May, June, and July 1961. A record is kept by the market administrator of each producer's production for the four fall months and divided by the number of days shipped, to compute a daily base. A producer must ship at least 90 days during the base making period to establish a base. An explanation of the option to relinquish your base and take new producer status will be printed in a later issue of this market information.

CLASS I PRICE

The Class I price for the September 1960 delivery period will be \$4.38 per hundredweight for 3.5 percent milk. This price was computed by adding \$1.30 per hundredweight to the average condensery pay price in August (\$3.08). The supply-demand adjustment was zero. The supply-demand adjustment for the October 1960 delivery period will be a plus 6 cents.

ORDER NO. 67 PRICES

Class Prices and Uniform Prices Per Cwt. for 3.5% Milk
Average Prices For the Years 1953-1957 And by Months From 1958 To Date

Year and Month	<u>CLASS I</u>			<u>CLASS II</u>		<u>CLASS III</u>	<u>UNIFORM PRICES</u>	
	<u>Differ- ential</u>	<u>Supply Demand</u>	<u>Milk Price</u>	<u>Differ- ential</u>	<u>Milk Price</u>	<u>Milk Price</u>	<u>Milk Price</u>	<u>E. F. Differ- ential</u>
1953.	\$ 1.10	\$ - .105	\$4.370	\$ --	\$ --	\$3.141	\$4.107	\$.079
1954	1.10	- .243	3.930	--	--	2.874	3.636	.072
1955	1.10	- .134	4.000	--	--	3.018	3.785	.069
1956	1.22	- .049	4.277	--	--	3.118	4.005	.071
1957	1.10	- .177	4.060	.59	3.688	3.126	3.833	.071
<u>1958</u>								
Jan.	\$ 1.10	\$ - .18	\$4.066	\$.70	\$3.846	\$3.133	\$3.920	\$.071
Feb.	1.10	- .18	4.053	.70	3.833	3.110	3.880	.071
Mar.	.90	- .18	3.830	.45	3.560	3.082	3.620	.071
Apr.	.90	- .18	3.802	.45	3.532	2.956	3.570*	.069
May	.90	- .18	3.676	.45	3.406	2.896	3.340*	.069
June	.90	- .18	3.616	.45	3.346	2.890	3.290*	.069
July	.90	- .18	3.610	.45	3.340	2.921	3.400*	.069
Aug.	1.30	- .24	3.980	.70	3.620	2.960	3.810	.070
Sept.	1.30	- .24	4.020	.70	3.660	3.000	3.910	.072
Oct.	1.30	- .02	4.280	.70	3.700	3.040	4.140	.070
Nov.	1.30	+ .16	4.500	.70	3.740	3.050	4.290	.070
Dec.	1.10	+ .18	4.330	.70	3.750	3.070	4.150	.072
Av.	\$ 1.08	\$ - .118	\$3.980	\$.60	\$3.611	\$3.009	\$3.777	\$.070
<u>1959</u>								
Jan.	\$ 1.10	\$ + .06	\$4.23	\$.70	\$3.770	\$3.060	\$4.060	\$.069
Feb.	1.10	+ .06	4.22	.70	3.760	3.060	4.020	.069
Mar.	.90	+ .08	4.04	.45	3.510	3.010	3.830	.069
Apr.	.90	+ .08	3.99	.45	3.460	2.950	3.780*	.069
May	.90	+ .04	3.89	.45	3.400	2.920	3.590*	.069
June	.90	+ .06	3.88	.45	3.370	2.910	3.620*	.070
July	1.10	+ .04	4.05	.45	3.360	2.930	3.860*	.070
Aug.	1.30	+ .02	4.25	.70	3.630	2.960	4.030	.072
Sept.	1.30	+ .08	4.34	.70	3.660	3.020	4.170	.075
Oct.	1.30	+ .12	4.45	.70	3.730	3.100	4.230	.075
Nov.	1.30	+ .14	4.54	.70	3.800	3.150	4.270	.077
Dec.	1.10	+ .12	4.37	.70	3.850	3.150	4.130	.074
Av.	\$ 1.10	\$ + .075	\$4.188	\$.60	\$3.608	\$3.018	\$3.966	\$.072
<u>1960</u>								
Jan.	\$ 1.10	\$ - .04	\$4.21	\$.70	\$3.850	\$3.13	\$3.960	\$.070
Feb.	1.10	- .06	4.17	.70	3.830	3.12	3.950	.070
Mar.	.90	- .06	3.96	.45	3.570	3.09	3.780	.070
Apr.	.90	- .06	3.93	.45	3.540	3.03	3.720*	.070
May	.90	- .02	3.91	.45	3.480	3.00	3.590*	.070
June	.90	+ .02	3.92	.45	3.450	3.00	3.630*	.070
July	1.10	- .04	4.06	.45	3.450	3.01	3.830*	.070
Aug.	1.30	- .06	4.25	.70	3.710	3.08	4.070	.071
Sept.	1.30	.00	4.38	.70	3.780			

* The price shown here is the weighted average of the base price and the excess price.

SOUTH BEND-LAPORTE-ELKHART, INDIANA, MILK MARKET NEWS

Vol. IV, No. 9

September 1960

UTILIZATION AND CLASSIFICATION OF MILK

<u>CLASS I</u>	August 1960 Reported Data		August 1959 Audited Data	
	Product Pounds	Butterfat Pounds	Product Pounds	Butterfat Pounds
Milk	14,954,405	528,435	13,860,499	488,393
Skim Milk	136,807	323	187,917	547
Fortified Skim Milk	1,560,554	31,511	1,130,961	23,116
Buttermilk	197,841	2,002	198,344	1,761
Flavored Milk & Drink	415,944	11,540	434,383	11,314
Cereal Mixture	285,631	35,305	290,300	35,800
Coffee Cream	16,506	3,262	28,048	5,580
Whipping Cream	28,629	10,849	30,329	11,352
Sour Cream	14,927	2,954	18,794	3,641
Total Class I Utilization	17,611,244	626,181	16,179,575	581,504
Add: Class I Shrinkage	95,854	7,509	151,786	9,791
Subtract: Other Source Receipts	161	161	111,793	4,596
Subtract: Overage	--	--	--	--
Net Class I	17,706,937	633,529	16,219,568	586,699
<u>CLASS II</u>				
Used to Produce Cottage Cheese	1,735,962	21,264	1,100,284	11,385
Subtract: Other Source Receipts	27	27	316	316
Subtract: Overage	--	--	--	--
Net Class II	1,735,935	21,237	1,099,968	11,069
<u>CLASS III</u>				
Class III Products	2,622,091	157,351	2,504,649	130,790
Inventory Variation	63,835	(2,198)	336,460	11,549
Total Class III Utilization	2,685,926	155,153	2,841,109	142,339
Add: Class III Shrinkage	223,038	13,745	242,479	10,643
Subtract: Other Source Receipts	269,561	14,869	154,277	18,899
Subtract: Overage	74,954	--	--	--
Net Class III	2,564,449	154,029	2,929,311	134,083
<u>TOTAL PRODUCER RECEIPTS</u>	<u>22,007,321</u>	<u>808,795</u>	<u>20,248,847</u>	<u>731,851</u>

MISCELLANEOUS INFORMATION

	August 1960	July 1960	August 1959
Average Daily Production	709,914#	743,530#	653,189#
August 1960 Production Compared With -	--	- 5.52%	+ 8.68%
Class I Daily Average	568,105#	553,887#	521,922#
August 1960 Sales Compared With -	--	+ 2.57%	+ 8.85%
Number of Producers	1,173	1,202	1,212
Daily Herd Production	605#	619#	539#
Av. Test of Producer Milk Received	3.67512%	3.65401%	3.61428%
Total Value Paid Producers	\$920,740.40	\$909,090.51	\$830,976.09
Av. Monthly Milk Check Per Farm	\$ 784.94	\$ 756.31	\$ 681.69
Av. Daily Milk Check Per Farm	\$ 25.32	\$ 24.40	\$ 21.99

RECEIPTS AND CLASSIFICATION OF PRODUCER MILK

<u>Year</u>	<u>CLASS I</u>		<u>CLASS II</u>		<u>CLASS III</u>		<u>Total Producer Receipts</u>
	<u>Pounds</u>	<u>Percent</u>	<u>Pounds</u>	<u>Percent</u>	<u>Pounds</u>	<u>Percent</u>	
1953	7,342,338	75.6	--	--	2,369,395	24.4	9,711,733
1954	7,272,928	70.4	--	--	3,058,935	29.6	10,331,863
1955	8,692,563	76.3	--	--	2,695,649	23.7	11,388,212
1956	10,125,716	75.4	--	--	3,302,901	24.6	13,428,617
1957	11,720,328	70.8	1,107,967	6.7	3,725,823	22.5	16,554,118
<u>1958</u>							
Jan.	12,421,993	78.0	1,207,200	7.6	2,287,650	14.4	15,916,843
Feb.	10,961,276	74.6	1,188,797	8.1	2,536,701	17.3	14,686,774
Mar.	11,777,301	69.4	1,332,925	7.8	3,865,790	22.8	16,976,016
Apr.	11,446,743	66.7	1,324,083	7.7	4,377,875	25.6	17,148,701
May	11,496,472	55.5	1,320,121	6.4	7,895,482	38.1	20,712,075
June	10,219,240	52.2	1,427,278	7.3	7,931,209	40.5	19,577,727
July	10,864,823	64.6	1,610,135	9.6	4,352,884	25.8	16,827,842
Aug.	15,936,403	80.1	1,374,096	6.9	2,586,484	13.0	19,896,983
Sept.	16,553,043	85.0	1,401,002	7.2	1,512,909	7.8	19,466,954
Oct.	17,669,313	84.7	1,427,728	6.9	1,752,656	8.4	20,849,697
Nov.	16,198,889	82.0	1,132,901	5.7	2,420,067	12.3	19,751,857
Dec.	16,659,844	81.9	979,123	4.8	2,704,318	13.3	20,343,285
Av.	13,517,112	73.0	1,310,449	7.1	3,685,335	19.9	18,512,896
<u>1959</u>							
Jan.	16,988,480	81.2	1,084,208	5.2	2,853,643	13.6	20,926,331
Feb.	15,239,825	78.9	1,053,372	5.5	3,017,745	15.6	19,310,942
Mar.	16,463,653	76.1	1,146,541	5.3	4,014,965	18.6	21,625,159
Apr.	16,278,936	76.8	1,218,411	5.7	3,705,029	17.5	21,202,376
May	17,020,842	66.8	1,476,387	5.8	6,996,009	27.4	25,493,238
June	16,143,898	69.5	1,625,641	7.0	5,452,167	23.5	23,221,706
July	16,656,834	80.0	1,257,357	6.1	2,898,176	13.9	20,812,367
Aug.	16,205,279	80.1	1,098,487	5.4	2,938,472	14.5	20,242,238
Sept.	17,271,583	84.0	1,107,034	5.4	2,182,542	10.6	20,561,159
Oct.	18,015,868	79.9	1,346,159	6.0	3,175,402	14.1	22,537,429
Nov.	15,951,304	76.8	1,106,991	5.3	3,704,095	17.9	20,762,390
Dec.	16,843,414	76.0	1,017,108	4.6	4,293,444	19.4	22,153,966
Av.	16,589,993	76.9	1,211,475	5.6	3,769,307	17.5	21,570,775
<u>1960</u>							
Jan.	16,630,974	72.7	1,303,077	5.7	4,946,776	21.6	22,880,827
Feb.	16,117,168	73.6	1,345,884	6.2	4,424,792	20.2	21,887,844
Mar.	17,371,361	75.1	1,512,205	6.5	4,260,340	18.4	23,143,906
Apr.	16,321,608	72.9	1,491,301	6.7	4,585,248	20.4	22,398,157
May	16,103,616	62.3	1,389,314	5.4	8,362,376	32.3	25,855,306
June	16,240,464	66.1	1,453,867	5.9	6,883,339	28.0	24,577,670
July	17,332,311	75.2	1,431,813	6.2	4,285,299	18.6	23,049,423
Aug.	17,706,937	80.5	1,735,935	7.9	2,564,449	11.6	22,007,321